

Financial Section

The Shiga Bank, Ltd. and Consolidated Subsidiaries

Consolidated Five-year Summary

	Millions of yen				
	2019	2018	2017	2016	2015
As of March 31					
Total assets	¥6,115,271	¥5,875,040	¥5,539,561	¥5,025,426	¥4,996,976
Investment securities	1,352,017	1,346,672	1,467,592	1,428,917	1,542,013
Loans and bills discounted	3,779,056	3,618,866	3,461,905	3,257,723	3,051,704
Deposits	4,849,187	4,685,466	4,516,648	4,331,151	4,281,984
Total equity	402,227	407,905	374,246	346,714	349,851
Years ended March 31					
Total income	98,586	90,537	90,162	95,940	88,499
Total expenses	77,587	70,644	69,412	73,621	64,439
Income before income taxes	20,998	19,892	20,749	22,319	24,060
Net income attributable to owners of the parent	14,681	13,884	14,895	15,508	13,675
Per share data (in yen)					
Cash dividends	¥ 42.50	¥ 40.00	¥ 8.00	¥ 8.00	¥ 6.00
Net income	282.24	266.68	57.21	59.57	51.87
Net equity	7,863.37	7,832.18	1,425.41	1,310.98	1,324.63
Ratio					
Capital ratio	15.68%	16.98%	16.67%	16.45%	15.94%
ROE	3.62%	3.56%	4.18%	4.52%	4.32%

Financial review (Consolidated basis)

During the fiscal year under review, despite signs that exports and manufacturing were affected by an economic slowdown overseas, the Japanese economy expanded moderately as corporate earnings and business sentiment generally maintained good levels and employment and income conditions improved steadily as a result of the government's economic policies and monetary easing policies by the Bank of Japan.

However, there remain concerns toward full-fledged economic recovery mainly driven by increasing uncertainty about U.S. economic policies, economic trends in emerging and resource-producing countries, and turmoil surrounding negotiations for the UK's exit from the European Union.

Within Shiga Prefecture, corporate production weakened owing to the impact of an economic slowdown overseas and, despite signs of firm demand in certain sectors, growth slowed overall. Although the overall economy of the prefecture is in a moderate recovery trend, it appears to remain flat for the immediate future.

Balance sheets

Total assets at fiscal year-end stood at ¥6,115,271 million, a year-on-year increase of ¥240,231 million.

With regards to the main account balance of assets, securities stood at ¥1,352,017 million (an increase of ¥5,345 million from the end of the previous fiscal year), while loans and bills discounted totaled ¥3,779,056 million (an increase of ¥160,189 million from the end of the previous fiscal year).

In liabilities, total liabilities increased by ¥245,908 million from the end of the previous fiscal year to ¥5,713,043 million.

With regards to the main account balance of liabilities, deposits totaled ¥4,849,187 million (an increase of ¥163,720 million from the end of the previous fiscal year), negotiable certificates of deposit ¥84,955 million (an increase of ¥3,270 million from the end of the previous fiscal year), call money ¥49,989 million (a decrease of ¥84,645 million from the end of the previous fiscal year), payables under securities lending transactions ¥218,995 million (an increase of ¥113,141 million from the end of the previous fiscal year),

borrowed money ¥367,480 million (an increase of ¥50,607 million from the end of the previous fiscal year), and bonds with stock acquisition rights ¥22,198 million (an increase of ¥950 million from the end of the previous fiscal year).

Total equity amounted to ¥402,227 million, a decrease of ¥5,677 million from the end of the previous fiscal year.

This is mainly due to a year-on-year decrease of ¥15,698 million in total accumulated other comprehensive income to ¥140,741 million primarily resulting from a decrease in net unrealized gains on available-for-sale securities, despite a year-on-year increase of ¥10,017 million in shareholders' equity to ¥261,356 million primarily resulting from an increase in retained earnings.

Statements of operations

Regarding income, total income posted a year-on-year increase of ¥8,824 million to ¥98,558 million, mainly due to an increase in other income primarily resulting from an increase in gains on sales of stocks and other securities from the sale of cross-shareholdings, etc. Meanwhile, total expenses increased by ¥7,451 million from the previous fiscal year to ¥77,544 million, mainly due to an increase in interest expenses primarily resulting from foreign currency procurement and an increase in other expenses primarily resulting from an increase in credit costs. As a result, the Bank posted income before income taxes for the fiscal year under review of ¥21,013 million, up ¥1,373 million year-on-year, and net income attributable to owners of parent of ¥14,681 million, up ¥796 million year-on-year.

Furthermore, comprehensive income posted a year-on-year decrease of ¥39,867 million to ¥1,017 million of loss.

Additionally, as the Group consists of a single segment in the banking business, business results by segment are not provided.

Cash flows

The Group's status of cash flows for the fiscal year under review is as follows.

Net cash provided by operating activities posted a decrease of ¥36,864 million year-on-year to ¥89,967 million, mainly due to increases in deposits which are the source of fund procurement, and loans and bills discounted which are essential to fund management. Net cash used in investing activities posted an increase of ¥165,132 million year-on-year to ¥15,450 million, mainly due to an increase in purchases of securities as a result of initiatives for effective fund management. Net cash used in financing activities posted a decrease of ¥538 million year-on-year to ¥4,664 million. This was mainly due to an effect of increased payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation in the previous fiscal year, despite increased payments from purchases of treasury stock for returns to shareholders.

As a result, cash and cash equivalents as of the end of the fiscal year under review amounted to ¥810,413 million, an increase of ¥69,857 million year-on-year.

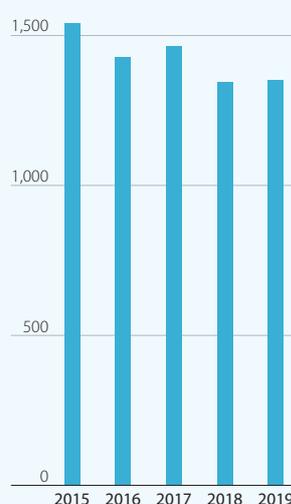
Deposits
(Billions of yen)



Loans and bills discounted
(Billions of yen)



Investment securities
(Billions of yen)



Total income and expenses
(Billions of yen)

